CITY COUNCIL MEETING MINUTES
CITY OF SANTA MARIA, CALIFORNIA
JUNE 4, 2019 - CITY HALL COUNCIL CHAMBERS

INVOCATION
The invocation was given by Pastors Claudio Lapidus and Greg Burtnett.

PLEDGE OF ALLEGIANCE
Councilmember Moats led the Pledge of Allegiance.

CALL TO ORDER
Mayor Patino convened the meeting and called the meeting to order at 5:30 p.m.

ROLL CALL:
MEMBERS PRESENT:
Mayor Alice Patino, Councilmember Michael Moats, Councilmember Mike Cordero, Councilmember Gloria Soto, and Councilmember Etta Waterfield

STAFF MEMBERS PRESENT:
City Manager Jason Stilwell, Interim City Attorney Philip Sinco, Fire Chief Leonard Champion, Chief of Police Phillip Hansen, Director of Finance Mary Harvey, Planning Division Manager Ryan Hostetter, Director of Public Works/City Engineer Kevin McCune, Director of Recreation & Parks Alex Posada, Community Programs Manager Rosie Rojo, Director of Utilities Shad Springer, Public Information Manager Mark van de Kamp, and Chief Deputy City Clerk Rhonda White

1 PROCLAMATIONS

A. Councilmember Soto presented a Proclamation recognizing of the month of June 2019 as "LGBTQ Pride Month" in the City of Santa Maria, and urging residents and businesses to respect the entire community, and build a culture that strives for equity and equality for all people. Eva Didion and Jessie Funes accepted the Proclamation.

2 PUBLIC COMMENT PERIOD

Cheryl Ausan commented on the H-2A housing ordinance, and said she hoped the community would reunite once the ordinance was approved. She pointed out that everyone had to be willing to compromise and no one was going to get everything they wanted with the final ordinance.

Mark Rademaker spoke about his religious beliefs.

Sara Macdonald commented that she was at the City Council meeting as an observer for the League of Women Voters.

Ernest Armenta spoke about the relocation of car dealerships to the Enos Ranch property, and encouraged everyone to vote in the next election.

Lilly Jimeniz spoke about being stalked and harassed, and feeling like the Police Department was not being very helpful.

Samantha Yruegas, representing Fighting Back Santa Maria Valley, spoke about Kick Butts Day, a tobacco-free campaign that local youth were participating in. One group recently cleaned up over 1,000 cigarette butts from a local park.

City Manager Stilwell commented that he and Chief Hansen would follow-up with Ms. Jimeniz regarding her situation.

3 CONSENT CALENDAR

Chief Deputy City Clerk White reported a summary of City Council action on salaries, salary schedules, or fringe benefits for Executive Managers pursuant to Government Code 54953(c)(3). As part of Agenda Item 3C, was a recommendation to approve a salary and benefit packages for the Non-Represented Management and Confidential Employees, as well as the Public Safety Managers.

She indicated the Non-Represented Management and Confidential Employees consisted of Division Managers, Department Directors, the City Manager, and the City Attorney. The benefit package calls for the Tier I employees to pay for an additional six percent of their CalPERS, and in recognition of the CalPERS increase, Tier I employees would receive a six percent increase in the form of longevity pay. In addition, employees would receive a nine percent increase over three years.

Chief Deputy City Clerk White indicated that the Public Safety Managers consisted of the Police and Fire Chiefs, and their Command staff. The three year benefit package calls for the City to reinstate the holiday pay that the Public Safety Managers conceded last year, and a 12.75 percent increase over three years.

Consent Calendar Items 3A-3K were approved as presented, including the adoption of Resolution Nos. 2019-60, 2019-61, 2019-62, 2019-63, 2019-64, 2019-65, 2019-66, 2019-67, 2019-68, 2019-69, and Ordinance No. 2019-03. The recorded vote appears with each item below.

A. Waive the reading in full of all Ordinances and Resolutions. Ordinances on the Consent Agenda will be adopted by the same vote cast at the first meeting, unless City Council indicates otherwise.

Action: Readings were waived.
Moved by Councilmember Waterfield, seconded by Councilmember Moats.
Motion carried. 5-0.

B. Approve the Minutes of the regular City Council meeting of May 21, 2019.

Action: Minutes were approved as submitted.
Moved by Councilmember Waterfield, seconded by Councilmember Moats.
Motion carried. 5-0.

C. Adopt Resolutions approving amendments to, and an extension of, the current Memorandum of Understanding with the Santa Maria Fire Fighter's Union Local 2020 (Local 2020); and wage and benefit packages for the Public Safety Managers (PSM) and Non-represented Management and Confidential Employees (NMAC).

Action: Amendments and extensions were approved, and wage and benefit packages were approved.
Moved by Councilmember Waterfield, seconded by Councilmember Moats.
Motion carried. Adopted as Resolution Nos. 2019-60 (Fire), 2019-61 (PSM), and 2019-62 (NMAC). 5-0.

D. Adopt Resolutions to: 1) approve Public Services allocations; and 2) approve Capital Development activities and allocations to be incorporated in the Annual Action Plan for Fiscal Year 2019-20 for the use of Federal funds under the Community Development Block Grant (CDBG) Program.

Action: Allocations were approved for incorporation in the Annual Action Plan for Fiscal Year 2019-20.
Moved by Councilmember Waterfield, seconded by Councilmember Moats.
Motion carried. Adopted as Resolution Nos. 2019-63 (Public Services) and 2019-64 (Capital Development). 5-0.

E. Conduct the second reading and adopt Ordinance No. 2019-03 amending the official Zoning Map for the Serramonte Townhomes Project (GPZ2018-0003) at the southwest corner of Blosser Road and Carmen Lane.

Action: Second reading was conducted, and the zoning map amendment was approved for the Serramonte Townhomes Project.
Moved by Councilmember Waterfield, seconded by Councilmember Moats.
Motion carried. Adopted as Ordinance No. 2019-03. 5-0.

F. Adopt a Resolution approving the continued subordination of a loan on behalf of the Peoples' Self-Help Housing Corporation for the Los Adobes de Maria III apartment complex.

Action: Subordination of the loar was approved for the Los Adobes Maria III apartment complex.
Moved by Councilmember Waterfield, seconded by Councilmember Moats.
Motion carried. Adopted as Resolution No. 2019-65. 5-0.

G. Adopt a Resolution approving the Mitigated Negative Declaration prepared for the Los Flores Ranch Shooting Facility Project.

Action: Mitigated Negative Declaration for the Los Flores Ranch Shooting Facility Project was approved.
Moved by Councilmember Waterfield, seconded by Councilmember Moats.
Motion carried. Adopted as Resolution No. 2019-66. 5-0.

H. Adopt a Resolution authorizing an application for, and receipt of, Senate Bill 2 (SB 2) Planning Grants Program Funds from the California Department of Housing and Community Development.

Action: Authorization was granted to make application for Senate Bill 2 (SB 2) Planning Grants Program funds.
Moved by Councilmember Waterfield, seconded by Councilmember Moats.
Motion carried. Adopted as Resolution No. 2019-67. 5-0.

I. Payment of Warrants. Ordered ratified subject to having been certified as being in conformity with the budget and having been approved for payment by the Director of Finance.

Action: Ratified.
Moved by Councilmember Waterfield, seconded by Councilmember Moats.
Motion carried. 5-0.

J. Payment of Payroll. Ordered ratified subject to having been certified by the proper Department Directors, as shown on records on file in the Department of Finance, and having been approved for payment by the Director of Finance.

Action: Ratified.
Moved by Councilmember Waterfield, seconded by Councilmember Moats.
Motion carried. 5-0.

K. Adopt Resolutions approving the Engineer's Reports; declaring the intent to levy and collect the property tax assessments for each of the four Landscape Maintenance Districts and the 24 Special Benefit Zones; and setting a public hearing for June 18, 2019, to consider the proposed landscape assessments.

Action: Engineer's Reports were approved, intent to levy and collect property tax assessments was declared, and a public hearing was set for June 18, 2019.
Moved by Councilmember Waterfield, seconded by Councilmember Moats.
Motion carried. Adopted as Resolution Nos. 2019-68 (Engineer's Report) and 2019-69 (Intent). 5-0.

4 PRESENTATION

A. City Manager Stilwell introduced Bill Statler, former President of the California Society of Municipal Finance Officers, who presented City Manager Stilwell and the City of Santa Maria with the Distinguished Budget Presentation Award from the Government Finance Officers Association of the United States and Canada; and the Operating Budget Excellence Award from the California Society of Municipal Finance Officers. The awards signify that the City's budget meets the highest standards for quality and transparency, and clearly communicates the City's financial operations. The receipt of both awards shows the City's genuine commitment to fiscal accountability.

B. The City Council received a presentation by the Santa Barbara County Association of Governments Traffic Solutions regarding Santa Maria Open Streets, and the results of a recent Main Street business survey.

Kent Epperson, Director of Santa Barbara County Association of Governments Traffic Solutions, showed a brief video created by the Santa Barbara Bicycle Coalition that summarized Santa Maria Open Streets festivities. One mile of West Main Street was closed to cars, allowing residents to participate in games and activities for all ages. He thanked sponsors of the event, and various City staff, for their support and explained how a passport activity allowed the group to gather information about participants.

Event Coordinator, Carlos Escobedo, thanked everyone for their support of the Open Streets event, and said he was proud of the way the event brought people together with its outreach and planning sessions. Local businesses were surveyed, and all were supportive of having another Open Streets event in 2020. Representatives from local businesses Extreme Electronics, Total Wireless, and Mi Gusto Es Restaurant spoke about how much awareness the event brought to the community. They pointed out that small business owners and malls were being out competed by corporate and national chain stores.

Glenn Morris, CEO of the Santa Maria Valley Chamber of Commerce, commented that events like Open Streets were much needed to bring more activity to the downtown area, and increase knowledge of available resources to residents. He also announced that Carlos Escobedo would be winning the Young Professional Award of the Year at the next Chamber Awards event. Representatives from Bici Centro, the Boys and Girls Club, Allan Hancock College, Santa Maria Bonita School District, and SBCAN shared their views of the event and thanked everyone for their support.

Councilmembers Waterfield and Cordero congratulated Mr. Escobedo on his success.

Lupita Rios, Angelica Urrea, Esequiel Atilano, Cleopatra Garcia, Carmen Rivera, Ana Ruvalcaba, and Jonathan Rojas spoke about how beneficial events like Open Streets were to the community, and families who are looking for activities to do together.

5 PUBLIC HEARING

A. **AMENDMENT TO TITLE 12, THE CITY OF SANTA MARIA ZONING CODE, TO ESTABLISH A ZONING ADMINISTRATOR HEARING PROCESS, AMEND TIME LIMITS OF DISCRETIONARY PERMITS, REORGANIZE CHAPTER 12-35, ESTABLISH PROVISIONS FOR EMPLOYEE HOUSING, AND MINISTERIAL PERMITTING OF PREVIOUSLY EXISTING EMPLOYEE HOUSING.** The City Council considered zoning text amendments (Z2016-0003) to amend multiple sections of Title 12 of the Santa Maria Municipal Code for the following: 1) defining employee housing; 2) adding employee housing as an allowed use in select residential districts; 3) amending Chapter 12-35 regarding discretionary permit time limits and reconsideration of discretionary permits; 4) defining the Zoning Administrator public hearing processes; and 5) other associated technical edits of Title 12 in support of these amendments. The City Council also considered a staff recommendation to the Ordinance (which was previously considered by the Planning Commission) to permit ministerial approval of employee housing units existing as of the effective date of the Ordinance if certain conditions are met.

Director of Community Development Ng gave a presentation as detailed in the agenda report. On April 16, 2019, the City Council reviewed three situations: 1) which residential zones (R-1 single-family or R-2 and R-3 multi-family) were appropriate to allow Employee Housing; 2) what level of review (permitted or conditional) would be appropriate; and 3) if identified as conditional use, which hearing body (Zoning Administrator/Planning Commission/City Council) would review and take action.

With a 4-1 vote, the City Council directed at the April public hearing that an ordinance be drafted that included the requirement that R-1 zone Employee Housing for seven or more employees in a dwelling unit would be subject to the approval of a Conditional Use Permit at a noticed public hearing by the Zoning Administrator. Employee Housing in the R-2 and R-3 districts would be in accordance with the performance standards of Chapter 12-54. The City Council also declined to apply a sunset provision that was recommended by the Planning Commission; made no changes to proposed Chapter 12-35 amendments regulating permit time frames and extensions; and directed staff to investigate a tenant displacement ordinance to aid renters that might be displaced in favor of housing for H-2A workers.

Since the April public hearing, staff had received questions regarding existing employee housing units in R-1 zones that were already operating. Staff interprets existing employee housing units for seven or more persons not as a permitted use but akin to a boarding house, and therefore, not legally nonconforming. Based on the lack of reported nuisances for these units, staff recommended a ministerial process to legalize them. If Employee Housing did not meet the requirements for ministerial approval (for example, excessive calls for service), it would be subject to a Zoning Administrator permit.

Mayor Patino asked what the definition of "excessive" was.

Community Development Director Ng responded that it would be a judgement call depending on the circumstances, and whether there was something on the property that needed to be addressed.

Councilmember Waterfield clarified that this would include the housing that already had employees living there. Mr. Ng agreed.

Councilmember Moats asked if a Zoning Administrator Permit was ministerial or a conditional use permit.

Community Development Director Ng responded that it was a Conditional Use Permit with a public hearing.

Performance standards for residential zones would include: compliance with all State and Federal requirements, no commercial signage on the properties, property up-keep requirements, no conversion of common living areas in the units, vehicle size and parking standards, and a 24-hour contact person.

Councilmember Moats asked if existing R-1 with H-2A housing would have to be inspected by the City in order to obtain a permit. He also asked if the homes were already inspected by the State of California with the Housing and Development Department, and if inspections by the City and State would be a duplication of effort. He inquired whether the City had enough inspectors to inspect in a timely fashion.

Interim City Attorney Sinco responded that staff favored a ministerial process for existing units that had not been nuisance properties. Code Enforcement would complete an inspection and any issues found would be fixed, but there would not be an inspection thereafter unless there was a

change in the structure or number of people residing there. The State does do inspections of their own, but is not familiar with local requirements and do not look for the same things. Thus, City inspections would not be a duplication. Mr. Sinco said the City would have enough inspectors, especially if another officer position was funded by Measure U revenue as recommended by staff for the next budget, to keep up with the demand.

Councilmember Cordero asked if, when a contract for H-2A workers expires, the landlord would have to obtain another permit.

Mr. Sinco responded that a new permit with the Housing and Community Development (HCD) is required for each new contract, but the proposed ordinance did not require a new permit with the City. However, any increase in the number of employees living in the home would require that a new discretionary permit be obtained.

Mayor Patino asked who the permits are issued to.

Planning Division Manager Hostetter responded that the permit application requires the property owner to sign and take responsibility for the permit.

Councilmember Soto asked about tenant displacement assistance.

Interim City Attorney Sinco responded that staff had been looking at the City of Santa Barbara's ordinance and had intended to present a proposed ordinance for tenant displacement assistance at this meeting; however, some problems arose that could not be resolved in time. The Santa Barbara ordinance applies to all land use applications which triggers the assistance requirement if applicable, but since only employee housing in the R-1 requires land use application, there is no triggering mechanism for tenant displacement assistance for an R-2/R-3 property since it is a permitted use and a land use application is not required. Staff required more time to study this matter and resolve this problem.
Councilmember Waterfield commented on how easy it would be for a homeowner to ask a tenant to leave saying they had family moving in. She expressed concern about regulating displacement of tenants.

Councilmember Soto asked if the ordinance was strictly for R-1.

Interim City Attorney Sinco responded that R-2 and R-3 would have to comply with the performance standards set forth by the ordinance, but it was mainly for R-1 zones. Mr. Sinco also invited the City Council's input to help staff draft tenant displacement regulations. Staff could require the same permitting for R-2 and R-3 that was being proposed for R-1. Or it could require a registration certificate for all employee housing in the R-2 and R-3 specifying whether any tenants were being displaced.

Councilmember Moats clarified that someone living in an R-1 home with ten H-2A workers that is certified by the State of California with no complaints could get a ministerial permit and continue as is as long as they had no complaints.

Interim City Attorney Sinco responded that he was correct as long as there was no additional construction to allow more than the ten people to reside in the home.

Councilmember Cordero commented that the State and Federal Governments continue to do their annual inspections regardless of what the City decides to do.

Written communications
Chief Deputy City Clerk White reported that two written communications were received from 1) Rutan & Tucker, attorneys for the Grower-Shippers Association of Santa Barbara and San Luis Obispo Counties requesting the City Council consider the applicability of Chapter 12-54 to be limited to the R-1 Zone and confirm existing employee housing is treated as a legal nonconforming use, like other uses that do not comply with amended regulations; and 2) an email from a gentleman named Steve who requested that notification be given on all applications for H-2A housing. The communications were provided to the City Council at the dais.

Public Hearing
Mayor Patino opened the public hearing at 7:26 p.m.

Carlos Castaneda thanked the City Council and City staff for their work on the issue. He added that HCD comes in every year for inspections, and if there is a deficiency that needs to be fixed,

there are crop losses. Thus, it was in the best interest of the employer to make sure housing was safe and in good working order.

Hazel Davalos agreed with Mr. Castaneda, and said she hoped tenant displacement would help protect seniors and low income residents. She recommended that three months' worth of rent be provided for those displaced. R-2 and R-3 zones should be required to, at a minimum, register with the City so as to be on their radar.

Reina Mendoza translated several family comments from the audience requesting that a policy be put in place regarding tenant displacement assistance.

Morgen Benevedo, with Peoples' Self-help Housing (PSHH), spoke in support of the ordinance, and requested some flexibility in R-2 and R-3 housing standards (in particular with new construction) as there would be less parking needed and/or storage requirements since a farm worker is typically only here for a few months. He added that PSHH does offer displacement assistance to its residents in certain situations.

Claire Wineman requested a few amendments to the proposed ordinance, specifically that the rules set forth in Chapter 12-54 only apply to R-1 zones, and clearly state that existing employee housing was a legal non-conforming use consistent as how all other existing uses were treated throughout the City when a change was made.

Elvia Delgado expressed frustration over the lack of available housing in the City of Santa Maria.

Cheryl Ausan questioned where displaced tenants would be able to go even if they had displacement funding. Also, after one inspection, how would the City know whether changes were made to a structure. She also said she felt there should be some kind of notification for surrounding neighbors when employee housing was being implemented.

Alexandra Allen, with Main Street Produce and Freshway Farms, spoke in appreciation of the community engagement over the last couple of years. She also said there was an economic cap on how much an employer could invest in housing.

Ernest Armenta spoke about the frustration of trying to resolve H-2A housing issues. He added that all inspections should be paid for by Transient Occupancy Tax funds. He suggested putting the item on the County ballot for taxpayers to vote on.

Tim Driscoll spoke about his history with farm workers and how hard they work, as well as the complex nature of solving housing issues. He noted that a contract with a farm worker was set up quite a bit in advance of when the farm worker actually arrives and once they do arrive, Santa Maria is their home for several months.

There being no further requests to speak, Mayor Patino closed the public hearing at 8:03 p.m.

Council discussion

Councilmember Waterfield asked Community Development Director Ng for clarification on noticing surrounding neighbors when H-2A housing was being implemented, and asked that the notification be required for R-1, R-2, and R-3 zones.

Community Development Director Ng responded that there would be a 300-foot radius mailed notification requirement for the Zoning Administrator Hearing process in the R-1 zones.

Councilmember Soto said she did not favor having a CUP process in R-2 and R-3 zones, and that her biggest concern was tenant displacement assistance. She added she would be in favor of a ministerial process just so employee housing would be on the City's radar, but she did not favor burdening employers with a CUP requirement.

Mayor Patino said she did not support a tenant displacement fee.

Councilmember Moats stated he agreed with staff recommendations that employee housing be in R-1, R-2, and R-3 residential zones with a permitted use in R-1 employee housing with six people or less; and permitted use in R-2 and R-3. If new housing with more than seven people were established in the R-1 zone, a Conditional Use Permit should be required with noticing. He said he was not interested in a CUP for R-2 and R-3 that this should be a permitted use.

Councilmember Cordero commented that he had only heard of one displacement taking place in the City for H-2A housing. He added that several new housing projects had been approved by the

City Council that were not built out yet. He said he agreed with Councilmember Moats to go along with the recommendations of City staff.

Councilmember Waterfield asked what triggered a notification to residents, saying she felt it was very important to let residents know if employee housing was moving into their neighborhood.

Community Development Director Ng responded that if a project was defined as a Conditional Use Permit, State regulations require the City to inform neighboring properties. Ministerial permitting does not require notification or a hearing.

Interim City Attorney Sinco commented that a tenant displacement ordinance would be a separate item from the zoning ordinance being proposed.

Councilmember Soto expressed her concern for H-2A workers and their safety, and reminded everyone that H-2A workers would already be vetted through the system to have received approval to come to the City to work.

Interim City Attorney Sinco suggested listing H-2A housing on the City's website so residents could go there for information instead of requiring notification for ministerial permits because providing notice might create false expectations that the ministerial permit might not be issued. He reiterated that current employee housing would be subject to losing their ministerial permits for noncompliance with the permit requirements.

Councilmembers Moats and Cordero liked the idea of posting information on the website, but did not think noticing should be necessary.

Councilmember Moats asked who the Zoning Administrator would be, and under what conditions a permit might be denied.

Community Development Director Ng responded that he would be the Zoning Administrator and that, since a hearing would be required, community comments could lead to the denial of a permit for new uses.

With regard to the wording of the proposed ordinance, Councilmember Waterfield requested that "family rooms" be added to the list of spaces in a home that could not be converted to additional sleeping areas. She also invited the public to reach out should there be increased parking issues.

City Manager Stilwell commented that there seemed to be general consensus of the City Council to agree with staff recommendations. He added that staff would follow-up to determine how best to notify residents of incoming employee housing projects, draft a tenant displacement ordinance, and establish regulations for motels and non-residential zones.

Mayor Patino asked if staff could put a letter together advocating for a role Santa Barbara County could play in addressing the need for farmworker housing and offered to take it to the Board of Supervisors.

Action: Introduce an Ordinance for first reading, and continue to the next meeting for second reading and adoption, amending Title 12 of the Santa Maria Municipal Code, to define employee housing, add employee housing as an allowed use in select residential districts, reorganize Chapter 12-35 to establish provisions for employee housing, amend time limits of discretionary permits, establish a Zoning Administrator hearing process, and permit ministerial approval of employee housing units existing as of the effective date, if certain conditions are met (Z2016-0003).
Moved by Councilmember Cordero, seconded by Councilmember Moats.
Motion carried. 4-1. Noes: Councilmember Waterfield.

REPORT BY CITY MANAGER

City Manager Stilwell reported that the next regular City Council meeting would be June 18, 2019. Items on the agenda would include the 2019-2020 mid-cycle budget, and a presentation on utility infrastructure. The July 2nd meeting is anticipated to be cancelled by the City Council at the June 18, 2019, City Council meeting.

ORAL REPORTS OF COUNCILMEMBERS AND OFFICERS (INCLUDING AB1234 REPORTS)

Councilmember Cordero reported he attended mock interviews at Orcutt Junior High and a meeting with Eddie Taylor.

Councilmember Moats had no reportable AB1234 activities.

Councilmember Waterfield had no reportable AB1234 activities.

Councilmember Soto reported she attended a Mayor's Youth Task Force end-of-year celebration; a 2020 Census workshop; and the Circle of Champions Rodeo Dinner.

Mayor Patino reported she attended the Marian Foundation Board of Directors meeting; mock interviews at Orcutt Junior High; the Mayor's Youth Task Force end-of-year celebration; the Kustoms Hall of Fame Dinner; the Memorial Day ceremonies; Elk's Rodeo activities; Rotary meetings; a FBSMV Coalition Luncheon; and the Special Olympics Final Leg Ceremony.

ADJOURNMENT

There being no further business before the City Council, Mayor Patino declared the City Council meeting adjourned at 9:06 p.m.

Approved at a regular meeting on June 18, 2019.

Rhonda M. White, CMC
Chief Deputy City Clerk and ex officio Clerk
of the City Council

ATTEST:

Rhonda M. White, CMC
Chief Deputy City Clerk

Alice M. Patino
Mayor of the City of Santa Maria